

Spotlight: Food Assistance

Domestic Food Assistance Expenditures Continue To Decline

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USDA's spending on domestic food-assistance programs totaled about \$17.7 billion during the first 6 months of fiscal 1998 (October 1997-March 1998), almost 7 percent less than in the same period in fiscal 1997 (see table). If this trend continues for the entire year, it will be the second consecutive year in which annual expenditures on food-assistance programs declined from the previous year. (In fiscal 1997, total annual food-assistance expenditures fell 6 percent, the first decrease since fiscal 1982.)

The three principal programs of USDA's network of food-assistance programs—the Food Stamp Program, the National School Lunch Program, and the Special Supplemental Nutrition Program for

Women, Infants, and Children (WIC)—accounted for 86 percent of total food-assistance expenditures during the first half of fiscal 1998. An assortment of smaller programs accounted for the remaining program expenditures.

Most of the decrease in food-assistance expenditures during the first half of fiscal 1998 was due to the contraction of the Food Stamp Program. The \$9.7 billion in expenditures for the program in the first half of fiscal 1998 were 13 percent lower than in the same period the previous year. This decrease was largely the result of the continuing decline in program participation, which fell from an average 23.8 million people per month during the first 6 months of fiscal 1997 to 20.3 million in the first half of fiscal 1998. (At its peak in fiscal 1994, an average of 27.5 million people per month received food stamps.)

Some of the decline in participation can be attributed to the

Nation's favorable economic conditions and low unemployment rate. However, some of the decrease also was due to people becoming ineligible for food stamps as a result of the Personal Responsibility and Work Opportunity and Reconciliation Act of 1996. Under the Act, most legal immigrants were made ineligible until they either became citizens, worked in the United States for at least 10 years, or were veterans with an honorable discharge from U.S. military service. Legal immigrants who were receiving food stamps at the time the Act was enacted, but who were then made ineligible by this provision, were prohibited from participating in the program after August 22, 1997. The Act also stipulates that able-bodied recipients ages 18 to 50 with no dependents

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Table 1

Total Expenditures for Food-Assistance Programs Fell Almost 7 Percent

Program	Fiscal 1997 expenditures ¹		First half of fiscal 1998 expenditures ¹	
	Total	October-March	October-March	Change from first half of fiscal 1997
	Million dollars	Million dollars	Million dollars	Percent
<i>Food stamp-related programs</i>	22,671.0	11,814.3	10,331.2	-12.6
Food Stamp Program ²	21,486.6	11,222.1	9,724.0	-13.3
Nutrition Assistance Programs ²	1,184.4	592.2	607.2	2.5
<i>Child nutrition programs³</i>	8,708.5	4,930.5	5,157.1	4.6
National School Lunch	5,553.8	3,361.5	3,573.9	6.3
School Breakfast	1,214.2	716.0	763.2	6.6
Child and Adult Care ²	1,571.3	803.0	769.9	-4.1
Summer Food Service ²	242.8	4.3	4.8	10.9
Special Milk	17.4	9.2	9.2	1.3
<i>Supplemental food programs</i>	3,953.6	1,988.2	1,934.6	-2.7
WIC ²	3,854.9	1,935.3	1,888.7	-2.4
Commodity Supplemental Food Program ²	98.7	52.8	46.0	-13.0
<i>Food donation programs</i>	415.7	193.9	207.7	7.1
Food Distribution on Indian Reservations ²	71.2	34.4	33.8	-1.7
Nutrition Program for the Elderly	145.2	71.1	72.4	1.9
Disaster Feeding	1.1	.7	.1	-80.9
TEFAP ⁴	191.9	83.4	100.0	19.9
Charitable Institutions and Summer Camps	6.3	4.3	1.4	-70.0
<i>All programs⁵</i>	35,855.7	18,977.9	17,681.3	-6.8

Notes: ¹Data are reported as of March 1998 and are subject to revision. ²Includes administrative expenses. ³Total includes the Federal share of State administration expenses. ⁴The Emergency Food Assistance Program. ⁵Total includes Federal food program administration expenses. Source: USDA's Food and Nutrition Service.

can receive food stamp benefits for only 3 months in every 36-month period, unless they are (1) working at least 20 hours a week, (2) participating in a work or employment and training program for at least 20 hours a week, or (3) participating in some type of "workfare" program. (It was not until March 1997 that States could begin to terminate food

stamp benefits for jobless adults under this provision.) However, a number of States and counties were granted waivers from the time limits, on the basis of local high unemployment rates.

Expenditures for the WIC program fell a little more than 2 percent to just under \$1.9 billion between the first half of fiscal 1998 and the

same period in fiscal 1997. However, not all the food-assistance programs contracted. Expenditures for the National School Lunch Program totaled \$3.6 billion in the first half of fiscal 1998, up 6 percent over the same period in fiscal 1997. ■